

# **Delta Sigma Pi Leadership Foundation**



## **Code of Regulations**

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# CODE OF REGULATIONS OF THE DELTA SIGMA PI LEADERSHIP FOUNDATION

## ARTICLE I Board of Trustees

- A. **No Provision For Members.** The Trustees shall, for the purpose of any statute or rule relating to corporations, be taken to be the members and have all the rights and privileges of members. The Corporation shall have no members as such.
- B. **Classes of Trustees.** The Board of Trustees shall be divided into four classes, designated as Voting Trustees, Nonvoting Trustees, Trustees Emeritus and Honorary Trustees.
- C. **Number, Election and Voting Rights.**

- 1. **Voting Trustees.** There shall be no fewer than nine (9), nor more than fifteen (15) Voting Trustees, consisting of: three (3) ex officio Trustees - namely, the Grand President of the International Fraternity of Delta Sigma Pi, Inc. (the "Fraternity"), immediate Past Grand President of the Fraternity, and one person appointed by the Board of Directors of the Fraternity and up to twelve (12) additional Voting Trustees to be elected by the Voting Trustees at their regular annual meeting of the Board of Trustees.

The number of Voting Trustees so elected shall be determined annually by the current Voting Trustees and shall serve terms whose expirations are evenly distributed between even-numbered and odd-numbered years.

Voting Trustees so elected shall serve for two (2) years or until their successors are duly elected and qualified. Each Voting Trustee so elected may be re-elected for two additional consecutive two-year terms.

A Voting Trustee, other than the three (3) ex-officio Trustees, may not simultaneously serve on the Fraternity's Board of Directors.

A Voting Trustee so elected who has served three consecutive two-year terms may again be eligible for re-election to the Board after expiration of at least one year from the date of termination of his or her third term.

The Voting Trustees shall be considered for quorum purposes and each shall have the right to vote on matters brought before the Board.

The three (3) ex-officio Trustees may not serve as officers of the Foundation.

In the event that any of the three (3) ex-officio Trustees are not eligible to serve as Trustee per the qualifications outlined in the Policies and Procedures, the Board of Directors of the Fraternity shall appoint another qualified candidate.

2. **Nonvoting Trustees.** The Nonvoting Trustees of the Delta Sigma Pi Leadership Foundation shall be comprised of the persons serving as the Executive Director of the Fraternity, and the Executive Vice President of the Foundation serving from time to time. The Nonvoting Trustees shall not be considered for quorum purposes and shall have no vote.
  3. **Trustees Emeritus.** The Board of Trustees may elect as Trustees Emeritus, in its discretion, former members of the Board of Trustees for their service to the Board and Foundation. Trustees Emeritus shall have no duties or voting privileges.
  4. **Honorary Trustees.** The Board of Trustees shall designate Honorary Trustees, in its discretion, such persons who have demonstrated exceptional contributions of time, talent, or resources for the furtherance of the purposes of the Foundation other than by serving as a Voting or Non-Voting Trustee. Honorary Trustees need not be members of the Fraternity. Honorary Trustees shall have no duties or voting privileges.
- D. **Term of Office.** Each Voting and Nonvoting Trustee shall hold office as long as he holds the position which qualifies him to serve on the Board, or until his earlier resignation, removal from office or death. Terms of office are not applicable to Trustees Emeritus and Honorary Trustees.
- E. **Vacancies.** Members of the Board, who by change of office or employment, cease to be qualified, shall cease to be members of the Board of Trustees. Vacancies by resignation, refusal to serve, or death for the unexpired term shall be filled by a majority of the Voting Trustees in office.
- F. **Powers and Duties of Board of Trustees**
1. Except as otherwise provided by law, the Articles of Incorporation or in these Regulations, all the powers, duties and functions of the Corporation conferred by such Articles of Incorporation, Regulations, State statutes, common law, court decisions, or otherwise shall be exercised, performed or controlled by the Board of Trustees. The Board of Trustees shall have general charge of the affairs and property of the Corporation. It shall be the duty of the Board of Trustees to carry out the purposes of this Corporation, and to this end, to manage and control all of its property or assets.
  2. The Board of Trustees is authorized to employ such persons, including executive officers, attorneys, agents and assistants, as in its opinion are needed for the administration of the Corporation and to pay reasonable compensation for services and expenses thereof.
  3. The Board of Trustees shall appoint an independent auditing firm which shall at such time as the Board of Trustees may determine, but at least biennially, report under generally accepted auditing standards on the Corporation's financial statements, including a statement of financial position, a statement of assets and changes in net assets, and a statement of cash flows, a statement of functional expenses, and such other additional reports or supplemental information as may be required by the Board or generally accepted accounting principles for non-profit entities. In years in which an audit is not

performed, a review by an independent auditing firm shall be conducted.

4. The Board of Trustees may adopt by laws for its proceedings and the administration of the Corporation not inconsistent with the Articles of Incorporation and these Regulations.

G. **Quorum and Transaction of Business.** A majority of the whole authorized number of Voting Trustees shall constitute a quorum for the transaction of business, except that a majority of the Voting Trustees in office shall constitute a quorum for filling a vacancy on the Board. Whenever less than a quorum is present at the time and place appointed for any meeting of the Board, a majority of those present may adjourn the meeting from time to time, until a quorum shall be present. Except as otherwise provided herein, the act of a majority of the whole authorized number of Voting Trustees present at a meeting at which a quorum is present shall be the act of the Board.

#### H. **Meetings of the Board of Trustees**

1. **Annual, Regular and Special Meetings.** Annual meetings of the Board of Trustees for the election of officers and the transaction of such business as may properly come before the meeting shall be held at such time and place as the Board may, by resolution, from time to time, determine. The Board shall also hold one or more regular meetings at such time and place as the Board may, by resolution or by law, from time to time, determine. If no time or place has been designated by the Board for an annual meeting or a regular meeting, the same shall be held at such time and place as may be designated by the Chairman of the Board. Special meetings of the Board may be called by the Chairman of the Board, the President, or any two members of the Board, and shall be held at such times and places as may be specified in such call. Special meetings may also be held by means of electronic communication such as telephonic, videoconference, or other similar type of electronic conferencing.
2. **Notice of Meetings.** Notice of the time and place of each annual, regular or special meeting shall be given to each Trustee by the Secretary or by the person or persons calling such meeting. Except as otherwise provided herein, such notice need not specify the purpose or purposes of the meeting and may be given in any manner or method and at such time so that the Trustee receiving it may have reasonable opportunity to participate in the meeting. Such notice shall, in all events, be deemed to have been properly and duly given if mailed at least seventy-two (72) hours prior to the meeting and directed to the residence of each Trustee as shown upon the Secretary's records and, in the event of a meeting to be held through the use of communications equipment, if the notice sets forth the telephone number at which each Trustee may be reached for purposes of participation in the meeting as shown upon the Secretary's records and states that the Secretary must be notified if a Trustee desires to be reached at a different telephone number. The giving of notice shall be deemed to have been waived by any Trustee who shall participate in such meeting and may be waived, in writing, by any Trustee either before or after such meeting.

## **ARTICLE II Officers**

## A. **Election**

1. **Officers.** The officers of the Board of Trustees shall be Chair and Vice-Chair. The officers of the Corporation shall be President, Executive Vice-President, Secretary, and Treasurer. The Board of Trustees may elect such additional Board officers and such additional Corporate officers as it deems appropriate. The Board may choose one person to hold dual offices except for Chair and Vice-Chair, Chair and Executive Vice-President, and President and Secretary. The Board officers shall be elected from the Voting Trustees. Corporate officers may be elected from Non-Voting Trustees and non-trustees as deemed appropriate. Officers shall hold office until the annual meeting of the Board following the election of such officers and until their successors are elected and qualified.
  2. **Manner of Election.** Board officers shall be elected first and in the order of Chair and Vice-Chair. Corporate officers shall be elected next and in the order of President, Secretary, and Treasurer. The Executive Vice-President is a Corporate officer by virtue of management agreement. Additional Board officers, if deemed appropriate, shall be elected next. Additional Corporate officers, if deemed appropriate, shall be elected next. Election shall take place at the annual meeting of the Board or any special called meeting of the Board for such purpose and shall be done by majority vote of Voting Trustees in attendance at such meeting.
  3. **Unexpected Mid-Term Vacancies/Succession.** If there is an unexpected vacancy of a Chair, the Vice-Chair shall assume the duties of Chair until an election takes place. If there is an unexpected vacancy of Vice-Chair, their position shall remain vacant until an election takes place. If there is a vacancy in both the Chair and Vice Chair, a Trustee who serves in Committee Chair role shall assume the duties of Chair until an election takes place (succession order shall be dictated by Policy). If there is an unexpected vacancy of President, either the Chair or Vice-Chair shall assume the duties of President (decision to be made by the Chair or Acting Chair) until an election takes place. If there is an unexpected vacancy of Secretary and/or Treasurer, the Chair or Acting Chair shall decide who shall assume the duties of the office until an election shall take place. If there is an unexpected vacancy of any other Board or Corporate Officer, their position shall remain vacant until an election takes place. Elections for vacancies shall be held at the next scheduled or special meeting or without a meeting, by unanimous written action by the Voting Trustees.
- B. **Duties.** The officers of this Corporation shall have such authority and perform such duties as are customarily incident to their respective offices and such other and further duties as may from time to time be required of them by the Board. The Executive Vice President shall perform those duties as authorized and customarily incident to the day-to-day administration of the Foundation.
- C. **Removal.** Any officer may be removed with or without cause by action of the Board at a meeting.

## **ARTICLE III** **Committees**

A. **Board Committees.** The Board may create Standing or Special Board Committees of at least two (2) Voting Trustees, the members of which shall be elected by the Board to serve at the pleasure of the Board or for such terms as the Board may designate. Nonvoting Trustees and Non-Trustees may be elected to serve on any such committee but shall not be entitled to vote on actions taken by the committee. Except for the power to fill vacancies on the Board, to elect or remove officers and to amend these Regulations, and as may otherwise be provided herein or by the Board, each such committee shall, during the intervals between the meetings of the Board, possess and may exercise such of the powers of the Board in the management of the affairs of the Corporation, including authority over the investment policies with respect to the property of the Corporation, and such other duties and authority, as may be delegated to it by the Board. A majority of the Voting Trustee members of a Board committee shall constitute a quorum. In the event of a tie vote among the Voting Trustee members of a Board committee, the Board Chair shall cast the deciding vote. Each Board Committee shall keep full records and accounts of its proceedings and transactions. All action by a Board committee shall be reported to the Board of Trustees at its next meeting succeeding such action and shall be subject to control, and alteration by the Board, provided that no rights of third persons shall be prejudicially affected thereby. Vacancies in a Board committee shall be filled for the unexpired term by the Board, and the Board may appoint one or more Voting Trustees as alternate members of a Board committee who may take the place of any absent member or members at any meeting.

B. **Board Oversight Committees.**

1. **Audit** - Responsible for monitoring and annual review of expenses and financial records, including the acceptance of the outside audit and the presentation of the audit to the Board of Trustees. The committee shall be chaired by a Voting Trustee appointed by the Chairman of the Board, and include two Non-Trustees also appointed by the Chairman of the Board. No other Voting Trustees may serve on the Audit Committee and no member can be a current board member of an organization that has or may in the future receive a grant from the Foundation. All three members shall have a vote in committee matters. Semi-annual reports shall be made by the committee to the Board of Trustees.
2. **Grant** - Responsible for reviewing and approving grant proposals submitted to the Foundation. The process is defined in policy determined by the Board of Trustees. The committee shall contain members as determined by policy. No member can be a current board member of an organization that has or may in the future receive a grant from the Foundation.

C. **Advisory and Other Committees.** The Board may provide for such other committees, including committees, advisory groups, etc., consisting in whole or in part of Non-Trustees, as it deems desirable, and discontinue the same at its pleasure. Each such committee shall serve in an advisory capacity only and shall perform such duties or functions, not inconsistent with law, and make such reports as may be provided by the Board. Unless the Board otherwise provides, appointments to and the filling of vacancies on such other committees shall be made by the Chairman of the Board who may also appoint one or more persons as alternate members of any such committees to take the place of any absent member at any meeting.

## **ARTICLE IV Indemnification and Insurance**

### **A. Authorization.**

1. In the event that any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, seeks indemnification from the Corporation against expenses (including attorney fees), and in the case of actions, other than those by or in the right of the Corporation, judgements, fines and amounts paid in settlement, incurred by him in connection with such action, suit or proceeding by reason of the fact that such person is or was a trustee or officer of the Corporation or is or was serving at the request of the Corporation as a trustee, director, officer, employee, or agent of another corporation, domestic or foreign, non-profit or for profit, partnership, joint venture, trust, or other enterprise, then, unless such indemnification is ordered by a court, the Corporation shall determine or cause to be determined in the manner provided in section 1702.12(E)(4) of the Ohio Revised Code whether or not indemnification is proper in the circumstances because the person claiming such indemnification has met the applicable standards of conduct set forth in divisions (E)(1) and (E)(2) of section 1702.12 of the Ohio Revised Code and, to the extent that it is so determined that such indemnification is proper, the person claiming such indemnification shall be indemnified.
2. The indemnification provided by this paragraph A shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under the Articles or any agreement, vote of disinterested Voting Trustees or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a trustee or officer and shall inure to the benefit of the heirs, executors, and administrators of such a person.

- B. Insurance.** The Corporation, to the extent permitted by Chapter 1702 of the Revised Code of Ohio, may purchase and maintain insurance on behalf of any person who is or was a trustee or officer or designated agent of the Corporation, or is or was serving at the request of the Corporation as a trustee, director, officer, employee or designated agent of another corporation, domestic or foreign, non-profit, partnership, joint venture, trust or other enterprise.

## **ARTICLE V Corporate Seal**

The Board of Trustees may provide a seal for the Corporation, which shall be in charge of the Secretary or such other officer as the Board may from time to time direct, and shall be affixed to such documents as may require a corporate seal.

## **ARTICLE VI Fiscal Year**



The fiscal year of the Corporation shall end on June 30 in each year, or on such other date as may be fixed from time to time by the Board of Trustees.

## **ARTICLE VII Amendments**

This Code of Regulations may be amended or repealed by the Board of Trustees:

- A. at a meeting of the Board, by the affirmative vote of two-thirds of the total number of persons then serving as Voting Trustees, provided that at least 10 days advance written notice of the subject matter of the change proposed to be made at such meeting is given to each Voting Trustee; or
- B. without a meeting, by unanimous written action by the Voting Trustees.

### **Historical Notes:**

This Code has been amended from time to time, in accordance with Article VII, including the following changes.

At the Annual Meeting on August 12, 2000: Article I, Section C, Subsection 1, paragraphs 4 and 7; Article I, Section E; Article I, Section F, Subsections 3 and 4.

At the regular meeting on February 9, 2001: Article II, Section A

At the Annual Meeting on August 14, 2001: Article III, Sections B and C.

At the regular meeting on February 8, 2004: Article II, Section A, subsection 2.

At the Annual Meeting on August 7-8, 2004: Article I, Sections B, C and D; Article II; Article III, Sections A, B and C.

By special mail vote in February 2006, Article I, Section H, subsection 1.

At the regular meeting on February 18, 2007: Article I, Section C.1.

By special mail vote in June 2010, Article I, Section F, subsection 3.

At the regular meeting on March 9, 2014: Article I, Section C.1.